MULTIMEDIA UNIVERSITY

STUDENT ID NO

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FINAL EXAMINATION

TRIMESTER 2, 2016/2017 SESSION

BAE1034 - ENGLISH FOR BUSINESS STUDIES

(All groups/sections)

9 MARCH 2017
9.00 am - 11.00 am
(2 Hours)

INSTRUCTIONS TO STUDENT

1. This question paper consists of 5 pages with 3 sections only.
2. Answer **ALL** questions.
3. Write all your answers in the answer booklet.

SECTION A: READING COMPREHENSION [20 MARKS]

Instructions: Read the passage carefully and answer ALL questions that follow.

Here's Why Twitter Might Finally Be Sold

1 Ever since Twitter became a popular social network, people have been imagining it getting swallowed by a bigger company. Back in 2009, some thought it was a good fit for Google, or Microsoft, or Apple. In some cases, companies tried: Google again, and also Facebook, and even Al Gore.

2 It never happened for a few reasons. First, Twitter's board, including current CEO Jack Dorsey, simply didn't want to sell. Later on, questions emerged over how Twitter would monetize its network and keep users coming, dimming the company's appeal as a takeover target. But the most vital reason why Twitter hasn't been bought — or seriously considered as an acquisition candidate — has been its high price.

3 Twitter went public in late 2013 at $26 a share, valuing it at $18 billion. [1.]. But after Twitter's user growth flatlined and multiple efforts to boost its fortunes fizzled, the stock sank as low as $14 a share last June. But even at that nadir, when Twitter's value was around $12 billion, the stock was still seen as too pricey. Net profit was nowhere in sight, quarterly sales were sluggish to flat, and the company still had no clear turnaround plan in sight.

4 So potential buyers have been biding their time hoping the stock price would keep falling. If Twitter has another disappointing quarter, its stock would surely slump again — a prospect that analysts have been signaling as likely by downgrading the stock. In that event, right now would be a prudent and sensible time to approach buyers. Twitter's board has reportedly been considering a sale this month. [2.]. The list starts with cloud computing firm, Salesforce and Google parent company, Alphabet.

5 Twitter's stock rallied 20% on Friday on reports of the Alphabet and Salesforce rumors. One Salesforce executive fueled the fire by tweeting "why Twitter?" and listing four reasons — a bizarre move, given that the tweet made Twitter's price 20% more expensive. Analysts quickly emerged to explain why a Salesforce-Twitter deal made little sense. The same day, another report cited Microsoft and Verizon as potential suitors.

6 Such takeover rumours are common in the tech market. However, **they** frequently end up being little more than speculation. After all, leaking out word to the financial press of a potential sale of the company is often a quick way to temporarily push up a stock's price or to prompt fence-sitting buyers to jump into the ring.

7 The problem is, outside of Google, none of the potential deals make much strategic sense. Salesforce is an enterprise company and Twitter is mainly a consumer-facing service. [3.]. This American technology company also has its hands full with its $26 billion purchase of LinkedIn.

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Verizon, which itself is grappling with its Yahoo deal, has little potential for synergy with Twitter's often unruly audience.

8 Things became even more interesting on Monday when Disney was said to be working with an advisor to evaluate a possible bid for Twitter. A Twitter-Disney combo is intriguing. With Vine, Periscope and live video tie-ins with the National Football League, Twitter has been moving toward becoming a video platform for some time. And Disney offers just that, primarily in ESPN's live sports broadcasts, but also with ABC's news broadcasts and big events like the Oscars.

9 [4.] However, Twitter has been struggling to tighten the integration in a way that enhances both the video content and the conversation around it. Under CEO Bob Iger, Disney has had a strong track record of buying properties like Marvel and Lucasfilm and seeing them flourish. But Disney is also facing a crisis of cord-cutting in cable channels like ESPN, which has long been a cash cow. Twitter could help Disney transition its cable audience to an online format.

10 Of course, Google parent Alphabet also remains a strong contender and a logical partner. Twitter has excelled at branded advertising, but struggled with the more lucrative targeted ads that turned Facebook into a digital ad powerhouse. Google's massive user data could help here. In return, Twitter could bring Google the social network it could never build itself. (Remember Google Plus?) YouTube, a key growth engine at Google, could also benefit from closer ties with Twitter. As socially gifted companies like Facebook and Snapchat push hard into video, YouTube is looking vulnerable.

11 But if Alphabet wanted to buy Twitter, it could have done so when Twitter traded at $14 a share. Since then, Alphabet has become more cost-conscious, scaling back initiatives like Google Fiber, Nest and robotics projects. And then there's the question of how regulators in the U.S. and Europe would look at an Alphabet-Twitter deal. [5.]

12 Thanks to the rally over the past couple of trading days, Twitter is again overpriced. It's currently worth $20 billion, and the board will surely ask for more than that, especially if a bidding war breaks out. Yes, all of this remains speculative. What's different is that, perhaps for the first time, the pieces are aligning to make a Twitter sale easier to imagine.

Adapted from Kelleher, K. (2016, Sept 26). *Here's Why Twitter Might Finally Be Sold.* Retrieved from http://time.com/4509375/twitter-disney-google-salesforce/

Author's Biography

Kevin Kelleher is a business journalist with 24 years of experience. He has been contributing to Time magazine since 2010, writing frequently about technology and finance; looking at trends and ideas in emerging technologies and financial markets, offering original and forward-looking perspectives in stories that are accessible to novices and of interest to insiders. He studied business journalism at Columbia University. He can be found on twitter @kpkelleher.

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Question I (5 marks)
Instructions: Decide which of the sentences (a) – (e) best fits in each of the boxes labelled 1-5 in the passage.

a. Microsoft, too, is moving toward the enterprise market. ☐

b. A Disney deal would likely win regulatory approval much more easily. ☐

c. Such events are already big draws for Twitter users. ☐

d. After Facebook shares began to rally, investors bid up Twitter's price as high as $69 a share. ☐

e. And sure enough, names of potential buyers for Twitter are being tossed around. ☐

Question II (5 marks)
Instructions: Find a word in the passage for each of the meanings below.

a. failed to increase and remained static (Paragraph 3)
b. decline suddenly or perform poorly (Paragraph 4)
c. supposition or opinion based on inconclusive evidence (Paragraph 6)
d. direct or indirect links or connections (Paragraph 8)
e. profitable (Paragraph 10)

Question III (10 marks)
Instructions: Answer the following questions in complete sentences.

a. Explain the causes why Twitter was not bought in 2009. (3 marks)

b. What does "*they*" in line 34 refer to? (1 mark)

c. Why is information about a company's sale potential often leaked out to the press? (1 mark)

d. State the main idea for paragraph 8. (1 mark)

e. How does a partnership between Google parent Alphabet and Twitter become logical and beneficial for both parties? (3 marks)

f. What is the tone used by the author when he wrote "Thanks to the rally over the past couple of trading days, Twitter is again overpriced."(lines 72 – 73) ? (1 mark)

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SECTION B: CRITIQUE WRITING [10 MARKS]

Question I (10 marks)
Instructions: Based on the reading text, evaluate the author's and text's **validity, objectivity** and **credibility**. Support your answers with detailed elaboration and provide evidence from the text where necessary. Write your answers in 200 – 250 words.

SECTION C: LANGUAGE FOCUS [30 MARKS]

Question I (10 marks)
Instructions: Construct a concise sentence based on each set of sentences in the questions below.

Example: (0) In the month of April, we detected a quality control issue. It was instructed by the CEO that this item be presented by the manager at the next board meeting.
The CEO instructed the manager to present the quality control issue detected last April in the next board meeting.

a. Tourism in France is going through a period of difficulty. Tourist arrivals to the country has shown a decline amounting to a percentage of 12% as of last year. (2 marks)

b. Datuk Ejaz Fakhry has arrived at a decision to organise a recruitment drive for staff. A series of interviews will be conducted by heads of department from Monday to Friday between 3 to 6 pm. (2 marks)

c. Global capital markets was rattled by Donald Trump's victory in the US presidential election. The Japanese yen appreciated against the dollar. On the other hand, the Malaysian ringgit weakened against the dollar. (2 marks)

d. Alibaba is known as an e-commerce giant in China. Each year, on the 11th of November, it holds what is advertised as the largest online shopping promotion in the world. This event is named as "Singles Day". (2 marks)

e. On the 30th of October, a meeting was held to discuss administrative items. At the meeting, each and every member was in agreement with one another that all forms of workplace communication should be done via email only. (2 marks)

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Question II (10 marks)

Instructions: For each word below, add a suitable affix or affixes, and construct a sentence set in a business context using the newly-formed word.

Example: (0) popular (Add a suffix)
Word: popularity
Sentence: Online shopping in Malaysia is poised for significant growth, given its rising popularity and adoption among local consumers.

a. interpret (Add a prefix)

b. design (Add a prefix)

c. strength (Add a suffix)

d. estimate (Add a suffix)

e. satisfy (Add a prefix and a suffix)

Question III (10 marks)

Instructions: For each idiom below, select its meaning from the table and construct a sentence set in a business context using the given idiom.

Example: (0) under the table
Meaning: A secret, hidden action
Sentence: Raihan was given money under the table to turn down the joint venture offer.

Do or say something exactly right	Having all the advantages
Believe someone's statement without proof	When an attempt fails and it is time to start over
Very expensive and costly	No manners
Do not disturb a situation as it is	A good idea or invention

a. back to the drawing board

b. not a spark of decency

c. an arm and a leg

d. hit the nail on the head

e. best thing since sliced bread

End of Paper